DOCUMENT RESUME

ED 267 145 UD 024 767

AUTHOR	Smith, James P.
TITLE	Black Poverty: Past and Future.
INSTITUTION	Rand Corp., Santa Monica, Calif.
REPORT NO	Rand-P-7129
PUB DATE	Aug 85
NOTE	8p.; Published Op-Ed Contribution, Los Angeles Times, July 25, 1985.
AVAILABLE FROM	Rand Corporation, 1700 Main St., P.O. Box 2138, Santa Monica, CA 90406-2138 ($4.00).
PUB TYPE	Viewpoints (120)
EDRS PRICE	MF01 Plus Postage. PC Not Available from EDRS.
DESCRIPTORS	*Black Education; *Blacks; Educational Attainment; Government Role; Outcomes of Education; *Poverty; Socioeconomic Influences; *Socioeconomic Status; Urban Education; Welfare Services
IDENTIFIERS	*Economic Trends

ABSTRACT

The current debate over cutbacks in social programs for the black poor tends to overlook two fundamental realities. First, there has been a significant, long-term reduction in the number of black poor. Although black poverty remains at unacceptably high levels, a majority of blacks are now members of the middle class. Several factors have contributed to this advance, but the dominant one was dramatic improvement in the quality of black education. This resulted largely from Southern black migration to the better schools of the North and from the overall rise in the quality of Southern schools. Now that these trends have run their course, further improvement in black schooling depends critically on what takes place in urban balck schools of the North. By concentrating on the merits of the "safety net" of social programs, all sides are running away from the real issue of school quality. Further reductions in black poverty will not materialize unless we deal with the problems in our nations' black schools. (KH)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

U.S. DEPARTMENT OF EDUCATION
NATIONAL INSTITUTE OF EDUCATION
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

✓ This document has been reproduced as received from the person or organization originating it.
Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official NIE position or policy.

"PERMISSION TO REPRODUCE THIS MATERIAL IN MICROFICHE ONLY HAS BEEN GRANTED BY

Tom Cockrell
Rand Corp., Santa Monica

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

ED267145

BLACK POVERTY: PAST AND FUTURE

James P. Smith

August 1985

US 034767

The Rand Paper Series

Papers are issued by The Rand Corporation as a service to its professional staff. Their purpose is to facilitate the exchange of ideas among those who share the author's research interests; Papers are not reports prepared in fulfillment of Rand's contracts or grants. Views expressed in a Paper are the author's own and are not necessarily shared by Rand or its research sponsors.

The Rand Corporation, 1700 Main Street, P.O. Box 2138, Santa Monica, CA 90406-2138

BLACK POVERTY: PAST AND FUTURE

James P. Smith

August 1985

Published Op-Ed contribution, Los Angeles Times, July 25, 1985

Spurred by expanding poverty rolls, the current debate about black poverty centers on Reagan Administration cutbacks in those social programs that all sides label "the safety net." Liberals complain that the safety net is full of holes and too many black families in need are slipping through. Conservatives contend that it is a web, not a net, that traps blacks into a self-perpetuating culture of poverty. These issues are important, but the focus is shortsighted. The singleminded concentration on short-run trends and remedies is making us lose sight of two more fundamental realities. First, there has been a significant long-term reduction in the number of black poor. Second, past and future long-run solutions to black poverty lie elsewhere.

To see this, let's take a Wellsian time machine journey back to 1940. Upon arriving, let's divide the black male population into three groups: the poor, those whose incomes equal those of the white middle class, and finally, the black economic elite. By any reasonable definition, the overwhelming majority of black men in 1940 were poor. Three-fourths were destitute, with little hope that their lot, or even that of their children, would soon improve. The black middle class was correspondingly small, counting among its members only one in every five black men. At the other extreme, the economic elite resembled an exclusive white club where the chances were miniscule of a black being admitted.

Now step back into our time machine, skip 45 years of history, and return to our own time. Forty-four percent of black men are still a part of the poor black underclass, a reminder (if any of us needed it) that many blacks remain left out and left behind. But, placed in

historical perspective, such figures still represent enormous progress toward eradicating black poverty. Political rhetoric on the race issue must eventually balance two equally compelling truths. America has made considerable strides in reducing black poverty; by any standard of a just society, black poverty remains at unacceptably high levels.

However, the real story of the last forty years has been the emergence of the black middle class, whose income gains have been real and substantial. Between 1940 and 1980, incomes of black males entering the middle class grew 50 percent faster than corresponding white incomes. The growth in the size of the black middle class was so spectacular that as a group, it slightly outnumbers the black male poor. Nowhere are these changes more dramatic than when we focus on the contemporary economic elite. For the first time in American history, a sizeable number of black men are economically better off than white middle-class America. During the last twenty years alone, the odds of a black man penetrating the ranks of the economic elite increased tenfold.

What produced this black economic resurgence and the long term decline in black poverty? As with most public policy issues, there were several contributing factors. The movement of blacks from traditional Southern agricultural areas to the higher-wage Northern cities, the civil rights activism of the 1960s, and the safety net all deserve some credit. But the safety net cannot be the primary cause. Two-thirds of this forty-year reduction in black poverty took place before 1965, when the programs making up the safety net were first put into place. Furthermore, its critics and defenders agree that the safety net is not a springboard allowing blacks to catapult into the American economic mainstream.

The dominant explanation clearly lies elsewhere--in the American classroom. Forty years ago, the typical black male entering the workforce finished the sixth grade--four grades less than those new white workers with whom he had to compete. Today, the average new black worker is a high school graduate and trails his white competitor by less than a year of education. And this is only half the story. Dramatic improvements in the quality of black education increased the ability of blacks to translate their schooling into more dollars in the job market. Forty years ago, whites gained twice as much income as blacks from attending school for another year. Today, there is little racial difference in the economic benefits of schooling for young workers. Contemporary criticism of the quality of black schooling overlooks the historical situation, which was much worse. All this reasserts an old-fashioned truth that is now out of vogue--the safest and surest route to permanent black economic mobility rests in additional education in a good school.

This role of education raises real concerns about future prospects. The historical improvement in the quality of black schooling resulted largely from Southern black migration to the better schools of the North and from the overall rise in the quality of Southern schools. These trends having largely run their course; further improvement in black schooling depends critically on what takes place in urban black schools of the North. By concentrating on the merits of the safety net all sides are running away from the real issue of school quality. Busing, the panacea of the 1970s, eventually confronted demographic realities and was rejected as a political solution by middle class whites. Blacks

should take little solace from the renewed surge of interest in excellence in schools, which so far has had a decidedly white middle America flavor. Where necessary, put patches in the safety net and remove its snares. But rest assured, until we deal with the problems in our nation's black schools, further long-term reductions in black poverty will not materialize.

James P. Smith is the Director of the Labor and Population Studies Program at The Rand Corporation, Santa Monica, California.